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*Council -  
Vaughan*

January 10, 1966

Mr. Harrington:

Council for Tobacco Research - U.S.A.

I would like to explain to you the basis for Mr. Hoyt's request for funds contained in his letter to you dated January 7. As you know, general counsel had discussed with the staff of the Council the practicability of its conducting certain special projects in the areas of research which might be inspired by the industry. The suggestion was enthusiastically received. I previously informed you that this would require an additional budget separate and apart from that of the research approved by the Scientific Advisory Board as grants in aid.

Mr. Hoyt's letter now asks your approval of making payment to the Council of the Company's allocable share of the \$100,000 initial budget for special projects. I recommend that the payment be made and, of course, wish you to know that this is an initial payment and that we may expect substantial additional costs for such projects in the future. No one is now able to estimate just what the total cost may be but every effort will be made to keep close track of such costs.

F. P. H.

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